GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1400
ANSWERED ON:04.03.2016
Banks Internal Audit
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Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has instructed all banks to conduct through internal audit and place the report before their respective audit committee to check fraudulent foreign exchange transaction;

(b) if so, the details thereof;

(c) whether any fraudulent foreign exchange transaction has been reported by any bank to RBI; and

(d) if so, the details thereof, bank-wise?

Answer

The Minister of State in the Ministry of Finance

(a) & (b) : Reserve Bank of India (RBI) has instructed select Scheduled Commercial Banks (SCBs) vide its circulars DBS(CO).PPD/5119/11.01.021/2015-16 dated 28.10.2015 and DBS.CO.PPD/5974/11.01.021/2015-16 dated 23.11.2015 regarding irregularities observed in import & export transactions, to arrange a detailed internal audit of all the Authorised Dealing (AD) branches where such remittances have gone up significantly during the last two to three years.

(c) & (d) : The replies of the banks received by RBI are under examination for identification of fraudulent transactions, if any.

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